



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: April 17, 1996

TO: Tom Williams, Division of Communications

FROM: Pete Lester, Division of Auditing and Financial Analysis

RE: Docket No. 960227-TI, Global Tel*Link, Financial Analysis for Certificate Application for Alternative Local Exchange Service

ALM
[Handwritten initials]

Section 364.337 (1), Florida Statutes, requires the following:

The commission shall grant a certificate of authority to provide alternative local exchange service upon a showing that the applicant has sufficient technical, financial, and managerial capability to provide such service in the geographic area proposed to be served.

Also Section 364.01 (3) and (4) states that:

- (3) The Legislature finds that the competitive provision of telecommunications service, including local exchange telecommunications service, is in the public interest.
- and
- (4)(d) The Commission shall exercise its exclusive jurisdiction in order to: (d) Promote competition by encouraging new entrants into telecommunications markets

Regarding the showing of financial capability, the Finance staff has analyzed the unaudited financial statements of Global Tel*Link (Global) and the audited financial statements of Schlumberger Ltd., the parent company of Global. Schedules presenting financial ratios for these companies are attached. Global has inadequate liquidity, ownership equity, and profitability. Schlumberger has adequate liquidity, ownership equity, and profitability.

ACK — For certification purposes, given the backing of its parent company, Global's application
AFA — appears adequate.

APP _____

CAF _____

cc: Division of Legal Services
Division of Records and Reporting

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FPSC-RECORDS/REPORTING

DOCKET NO. 960227-TX
GLOBAL TEL*LINK
ALEC CERTIFICATE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	TWELVE MONTHS ENDING <u>12/31/95</u>
CURRENT ASSETS	6,030,000
CURRENT LIABILITIES	23,558,000
CURRENT RATIO	0.26
CASH	(1,156,000)
COMMON EQUITY	(18,805,000)
TOTAL DEBT	0
NET INVESTOR CAPITAL	NMF
COMMON EQUITY RATIO	NMF
NET INCOME	(5,081)
RETURN ON EQUITY	NMF

NMF = NO MEANINGFUL FIGURE

DOCKET NO. 960227-TX
GLOBAL TEL*LINK
SCHLUMBERGER LIMITED
ALEC CERTIFICATE
FINANCIAL ANALYSIS

FROM AUDITED FINANCIAL STATEMENTS
OF SCHLUMBERGER LIMITED, THE PARENT COMPANY

	TWELVE MONTHS ENDING <u>12/31/94</u>	IN THOUSANDS
CURRENT ASSETS	3,823,751	
CURRENT LIABILITIES	2,700,883	
CURRENT RATIO	1.42	
CASH	1,231,893	
COMMON EQUITY	4,582,954	
TOTAL DEBT	479,938	
NET INVESTOR CAPITAL	5,062,892	
COMMON EQUITY RATIO	91%	
NET INCOME	536,077	
RETURN ON EQUITY	12%	